GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:3205
ANSWERED ON:12.03.2003
INDO-MYANMAR BORDER TRADE
HOLKHOMANG HAOKIP

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether there is any proposal for further expansion of Indo-Myanmar Border Trade;

(b) whether there is any scope to increase the number of trade items under this border trade;

(c) if so, the details thereof;

(d) whether the ongoing Indo-Myanmar border trade is based on barter system;

(e) if so, the expected time limit for the continuation of this system;

(f) whether there is any move to set up a foreign currency exchange centre at Moreh or Tamu so as to make the trading more convenient to both sides; and

(g) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI VINOD KHANNA)

(a) Yes. Government is in the process of setting up a Joint Trade Committee chaired by the respective Ministers of Commerce to promote bilateral trade.

(b & c) A Border Trade Agreement between India and Myanmar was signed in January 1994 and became operational from April 12, 1995. Out of the 23 items traded, the principal items are agricultural namely soyabari from India and red-kidney beans from Myanmar. 7 more items i.e. wood, bamboo, tomato, sunflower seeds, resin, catechu and betel leaves have been included for border trade vide Department of Revenue Notification dated March 1, 2002.Border trade between the two countries has been taking place from the trading point of Moreh on the Indian side and Tamu on the Myanmar side. It should be possible to increase the number of items traded even further. However, the existence of only one border trading point is a constraint. Under the Border Trade Agreement there is a provision for opening of a second route viz. Champai (India) and Rih (Myanmar) which is yet to be operationalised.Myanmar side has indicated that the road on its side is not yet motorable. For promotion of border trade between India and Myanmar, early opening of this route would be helpful. Government of India has taken this up with the Government of Myanmar.

(d & e) No. Barter as a form of border trade was stopped by Myanmar Government in 1997 with all its neighbouring countries, including India, through all border trading points. Since then trade with India has been conducted on normal foreign exchange basis.

(f & g) No. Does not apply.